

117TH CONGRESS  
1ST SESSION

# H. R. 3848

To establish the National Commission on Critical Supply Chains, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 11, 2021

Mr. RYAN (for himself and Mr. POSEY) introduced the following bill; which was referred to the Committee on Energy and Commerce

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# A BILL

To establish the National Commission on Critical Supply Chains, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

**3 SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Critical Supply Chains  
5       Commission Act”.

**6 SEC. 2. FINDINGS; SENSE OF CONGRESS.**

7       (a) FINDINGS.—Congress finds the following:

8           (1) Many Americans were shocked to find that  
9           the United States was unable to find or produce  
10          enough face masks, ventilators, hand sanitizer, test-

1       ing kits, hospital beds, sedatives, and other medical  
2       necessities in response to the COVID–19 crisis due  
3       to limitations in the manufacturing supply chain and  
4       our dependence on foreign suppliers.

5                 (2) Shortages of medical supplies and equip-  
6       ment are just one example of the risks we face due  
7       to the United States' reliance on other countries for  
8       making many of our critical products. The United  
9       States also relies on other countries for—

10                 (A) technologies involved with renewable  
11       energies and car battery manufacturing;

12                 (B) rare earth materials that are essential  
13       to many high-technology products, including cell  
14       phones, satellites, and computers;

15                 (C) fabricating the most precise integrated  
16       circuits and microchips that are needed for  
17       complex electronics used in weapon systems,  
18       space systems, automobiles, and a variety of  
19       consumer products;

20                 (D) production of advanced machine tools  
21       and production equipment that U.S. factories  
22       need to manufacture their products;

23                 (E) delivery of precision scientific equip-  
24       ment needed to produce breakthroughs in nano-

1           technology, medicine, and future batteries for  
2           electric vehicles;

3           (F) manufacturing of clothing and other  
4           textiles;

5           (G) production and distribution of food  
6           and agricultural goods; and

7           (H) other critical products where substan-  
8           tial harm would come to U.S. economic secu-  
9           rity, national defense, or way of life if the sup-  
10          ply chains were compromised or no longer avail-  
11          able.

12          (3) The American supply chain is the founda-  
13          tion of our Nation's economic competitiveness and is  
14          the delivery system that moves products to con-  
15          sumers in every State across the Nation.

16          (4) While U.S. manufacturers and domestic  
17          suppliers have substantial resources, some domestic  
18          capabilities and expertise have eroded due to reliance  
19          on the global supply chain.

20          (5) Dependable and high-quality suppliers are  
21          crucial assets to any manufacturing company since  
22          manufacturers must get the right products to the  
23          right place at the right time to be most successful.

24          (6) A secure and stable American supply chain  
25          is a necessary component of a prosperous manufac-

1 turing sector that contributes two trillion dollars an-  
2 nually to the U.S. economy.

3 (7) United States manufacturers are a major  
4 source of high quality employment in the U.S. at  
5 roughly 9 percent of the workforce.

6 (8) United States manufacturers are a major  
7 driver of innovation, responsible for more than two-  
8 thirds of private sector research and development,  
9 receiving more than 90 percent of new patents.

10 (9) United States manufacturers are essential  
11 to ensuring our national defense and homeland secu-  
12 rity, as they provide the tools, equipment, systems,  
13 and protective gear for our military and first re-  
14 sponders.

15 (10) Manufacturers must consider supply chain  
16 risks and potential disruptions in their business deci-  
17 sions, though many times supplier selection is driven  
18 by fixed production costs and other primary factors.

19 (11) A more robust and resilient American sup-  
20 ply chain is integral to the health and well-being of  
21 our economy and of businesses across every State,  
22 and improvements in the supply chain will drive af-  
23 fordability, sustainability, and availability of prod-  
24 ucts for our Nation.

1       (b) SENSE OF CONGRESS.—It is the sense of Con-  
2 gress that—

3                 (1) a national commission on critical supply  
4 chains will benefit the United States in several im-  
5 portant ways;

6                 (2) such a commission will provide expert  
7 knowledge, guidance, and recommendations to Con-  
8 gress on the complex and strategically important  
9 issues related to bolstering American supply chains,  
10 which will help Congress find common ground to ad-  
11 vance supply chain policies and approaches that ben-  
12 efit our Nation both today and far into the future;

13                 (3) such a commission will provide rec-  
14 ommendations to fix the shortcomings exposed in  
15 our existing national manufacturing strategy, so  
16 that we are prepared for the next crisis—whether it  
17 is due to a pandemic, a war, natural disaster, or  
18 something else—and that these strategic directions  
19 will catalyze a much-needed update to our national  
20 manufacturing strategy for revitalizing the U.S.  
21 manufacturing sector and increasing our economic  
22 growth;

23                 (4) such a commission will establish the basis  
24 for strengthening the security of, and adding resil-  
25 iency to, an eroded American supply chain system,

1 so that U.S. economic security, national defense, and  
2 way of life are not harmed when natural disasters or  
3 other events disrupt the supply of critical ingredients,  
4 components, or products from a specific source  
5 or region;

6 (5) such a commission will trigger new domestic  
7 manufacturing jobs as a result of the growth and in-  
8 creased robustness in the domestic supply chain and  
9 the manufacturing sector, and such domestic  
10 sourcing will also improve the security of intellectual  
11 property, reduce environmental impact and transpor-  
12 tation costs due to fewer parts traveling overseas,  
13 and encourage economic clusters for supporting op-  
14 erations to be located near manufacturing facilities;  
15 and

16 (6) such a commission will improve the Nation's  
17 national defense and homeland security by reducing  
18 vulnerabilities and risks due to excessive reliance on  
19 foreign sources of critical materials or components.

20 **SEC. 3. NATIONAL COMMISSION ON CRITICAL SUPPLY  
21 CHAINS.**

22 (a) ESTABLISHMENT.—Congress shall establish a  
23 National Commission on Critical Supply Chains (referred  
24 to in this section as the “Commission”).

1       (b) PURPOSES.—The purposes of the Commission  
2 shall be to—

3                 (1) convene an independent entity that brings  
4 together national experts in a highly visible forum to  
5 conduct a systematic study and give guidance to  
6 Congress on the complex and strategically important  
7 issues related to rebuilding critical American supply  
8 chains;

9                 (2) identify the critical supply chains in which  
10 the United States is dependent on materials, prod-  
11 ucts, equipment, or services from foreign countries  
12 and in which substantial harm would come to U.S.  
13 economic security, national defense, or way of life if  
14 those supply chains were compromised or no longer  
15 available;

16                 (3) investigate in depth and report on existing  
17 dependencies, limitations, and risks to the United  
18 States for each of these critical supply chains, in-  
19 cluding considerations for medical supplies, equip-  
20 ment, and medications; rare earth materials; preci-  
21 sion-integrated circuits and microchips; machine  
22 tools and production equipment; defense components  
23 and homeland security capabilities; scientific equip-  
24 ment needed for advanced technology research and

1 development; clothing and textiles; and food and ag-  
2 ricultural products;

3 (4) assess and provide guidance on key ques-  
4 tions, including—

5 (A) which driving forces are pushing U.S.  
6 companies to offshore their procurement or  
7 their manufacturing operations;

8 (B) how the United States can predict and  
9 prevent future supply chain disruptions;

10 (C) what the United States can do to re-  
11 duce future vulnerabilities and risks;

12 (D) whether the United States can make  
13 the American supply chain resilient enough to  
14 protect necessary capabilities and resources;

15 (E) which manufacturing activities should  
16 be performed strictly within the United States  
17 to ensure economic and national security;

18 (F) what actions should be taken by the  
19 United States to increase domestic manufac-  
20 turing to meet critical supply chain needs and  
21 improve its terms of trade; and

22 (G) what would be the effects of a new na-  
23 tional manufacturing strategy on employment,  
24 growth, innovation, and national security; and

1                         (5) develop and propose specific recommendations,  
2 submit a biannual comprehensive report (and  
3 intermediate updates as necessary to maintain timely  
4 and relevant information), and provide Congressional  
5 oversight to Congress to be used as a resource  
6 for legislative actions to mitigate the risks of future  
7 American supply chain disruptions.

8                         (c) MEMBERSHIP.—

9                         (1) MEMBERS.—The Commission shall be composed of 12 members, of whom—

11                         (A) three members shall be appointed by the Speaker of the House of Representatives, in consultation with the chairpersons of relevant committees, including the Committee on Ways and Means, Committee on Energy and Commerce, Committee on Science, Space, and Technology, Committee on Transportation and Infrastructure, Committee on Armed Services, Committee on Natural Resources, Committee on Small Business, Committee on Homeland Security, and Committee on Agriculture of the House of Representatives;

23                         (B) three members shall be appointed by the minority leader of the House of Representatives, in consultation with the ranking minority

1       Members of relevant committees, including the  
2       Committees described in subparagraph (A);

3                   (C) three members shall be appointed by  
4       the President pro tempore of the Senate upon  
5       the recommendation of the majority leader of  
6       the Senate, in consultation with the chair-  
7       persons of relevant committees, including the  
8       Committee on Finance, Committee on Com-  
9       merce, Science, and Technology, Committee on  
10      Armed Services, Committee on Energy and  
11      Natural Resources, Committee on Small Busi-  
12      ness and Entrepreneurship, Committee on  
13      Homeland Security and Governmental Affairs,  
14      Committee on Environment and Public Works,  
15      and Committee on Agriculture, Nutrition, and  
16      Forestry of the Senate; and

17                   (D) three members shall be appointed by  
18       the President pro tempore of the Senate upon  
19       the recommendation of the minority leader of  
20       the Senate, in consultation with the ranking mi-  
21       nority Members of relevant committees, includ-  
22       ing the Committees described in subparagraph  
23       (C).

24                   (2) CHAIR; VICE CHAIR.—

1                             (A) APPOINTMENT.—Not later than 30  
2 days after the initial meeting of the Commis-  
3 sion, the Commission shall elect a Chair and  
4 Vice Chair from among the Commission's mem-  
5 bers by a simple majority vote, and such Chair  
6 and Vice Chair shall be members of the Com-  
7 mission who were appointed by appointing au-  
8 thorities from different political parties under  
9 paragraph (1).

10                            (B) PRESENCE.—For purposes of appoint-  
11 ing the Chair, all 12 members must be present.  
12 If all 12 members are not present, appointment  
13 of the chair shall be delayed until the next  
14 meeting of the Commission at which all 12  
15 members are present.

16                            (C) TIMING.—If a quorum is not present  
17 at that initial meeting, the Chair shall be ap-  
18 pointed at the first meeting after that at which  
19 a quorum is present. If a Vice Chair is elected  
20 before the Chair and no Chair is elected, the  
21 Vice Chair shall serve as acting Chair until the  
22 Chair is elected.

23                            (D) NEW CHAIR AND VICE CHAIR EACH  
24 CONGRESS.—A new Chair and Vice Chair shall  
25 be elected with respect to each Congress. Any

1 member that was a Chair or Vice Chair in a  
2 Congress may not be elected to be a Chair or  
3 Vice Chair in a subsequent Congress.

4 (3) QUALIFICATIONS.—

5 (A) AREAS OF EXPERTISE.—

6 (i) IN GENERAL.—Each individual ap-  
7 pointed to the Commission shall have sub-  
8 stantial expertise in one or more of the fol-  
9 lowing areas:

10 (I) Supply chain expertise, in-  
11 cluding the following:

12 (aa) Advanced manufac-  
13 turing, with a focus on distrib-  
14 uted operations and supply chain  
15 management.

16 (bb) Economics of U.S.  
17 manufacturing.

18 (cc) Supply chain logistics.

19 (dd) Supplier certification  
20 and quality assurance processes.

21 (ee) Raw materials sourcing  
22 and distribution.

23 (ff) Metrics used by Original  
24 Equipment Manufacturer pur-  
25 chasing managers and chief fi-

1                   nancial officers to make pur-  
2                   chasing decisions.

3                   (II) Critical domain expertise, in-  
4                   cluding the following:

5                   (aa) Health care, medical  
6                   device, and pharmaceutical man-  
7                   ufacturing.

8                   (bb) Mining, supply, and  
9                   usage of rare earth materials.

10                  (cc) Precision-integrated cir-  
11                  cuits, microchips, and semicon-  
12                  ductor manufacturing.

13                  (dd) Defense component  
14                  manufacturing and homeland se-  
15                  curity products.

16                  (ee) Advanced machine tools  
17                  and production equipment.

18                  (ff) Scientific equipment for  
19                  high-precision research and devel-  
20                  opment.

21                  (gg) Clothing and textiles  
22                  manufacturing.

23                  (hh) Food production and  
24                  agricultural products manufac-  
25                  turing.

(III) Industrial policy expertise, including knowledge of industrial organization, development economics, and policy tools that have been used by the United States and other developing or industrial economies in the world.

(ii) COMPOSITION.—The composition of the members of the Commission shall ensure the Commission has substantial expertise in all areas described in clause (i).

(B) NONGOVERNMENT APPOINTEES.—An individual appointed to the Commission may not be an officer or employee of the Federal Government.

(4) APPOINTMENT REQUIREMENTS.—

(A) INITIAL APPOINTMENTS.—Members of the Commission shall be appointed not later than 45 days after the date of the enactment of this Act.

(B) TERM OF APPOINTMENTS.—The term of each member of the Commission shall expire on December 31 of the second session of the Congress in which the member is appointed to the Commission.

(E) VACANCIES.—A vacancy in the Commission shall not affect the powers of the Commission and shall be filled by the same appointing authority that made the original appointment. Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member's term until a successor has taken office. A vacancy in the Commission shall be filled in the manner in which the origi-

1           nal appointment was made by not later than 30  
2           days after the date such vacancy occurs.

3           (F) REMOVAL.—A member of the Commis-  
4           sion may be removed from the Commission at  
5           any time by the appointing authority that ap-  
6           pointed such member to the Commission should  
7           the member fail to meet Commission respon-  
8           sibilities.

9           (5) COMPENSATION; TRAVEL EXPENSES.—Each  
10          member of the Commission may be compensated at  
11          a rate not to exceed the daily equivalent of the an-  
12          nual rate of basic pay in effect for a position at level  
13          IV of the Executive Schedule under section 5315 of  
14          title 5, United States Code, for each day during  
15          which the member is engaged in the actual perform-  
16          ance of the duties of the Commission. Travel ex-  
17          penses of members of the Commission shall be al-  
18          lowed at rates authorized for employees of agencies  
19          under subchapter I of chapter 57 of title 5, United  
20          States Code, except that foreign travel for official  
21          purposes by members of the Commission is not au-  
22          thorized.

23           (d) MEETING REQUIREMENTS.—

24           (1) INITIAL MEETING.—The Commission shall  
25          convene for an initial meeting not later than 45 days

1 after the initial members of the Commission are all  
2 appointed. An initial meeting may be convened so  
3 long as at least 10 members are present.

4 (2) SUBSEQUENT MEETINGS.—After the initial  
5 meeting under paragraph (1), the Commission shall  
6 meet upon the call of the Chair or as determined by  
7 a majority of Commission members.

8 (3) EXPECTATIONS FOR ATTENDANCE BY MEM-  
9 BERS.—Members are expected to attend all Commis-  
10 sion meetings. In the case of an absence, members  
11 are expected to report to the Chair prior to the  
12 meeting and allowance may be made for an absent  
13 member to participate remotely. Members will still  
14 be responsible for fulfilling prior commitments, re-  
15 gardless of attendance status. If a member is absent  
16 from multiple meetings, the member may be re-  
17 viewed by the Chair and appointing authority that  
18 appointed such member to the Commission and fur-  
19 ther action will be considered, including removal and  
20 replacement on the Commission.

21 (4) QUORUM.—A majority of the members of  
22 the Commission shall constitute a quorum.

23 (5) VOTING.—Each member of the Commission  
24 shall be entitled to one vote, which shall be equal to  
25 the vote of every other member of the Commission.

1                     (6) MEETING NOTES.—Meetings notes shall be  
2                     made available to the Chairman and Ranking Mem-  
3                     ber of the relevant committees of jurisdiction.

4                     (e) SUBCOMMITTEES AND WORKING GROUPS.—The  
5                     Commission may choose, at the discretion of the Chair and  
6                     Vice Chair, to establish subcommittees and working  
7                     groups for any purpose consistent with the duties of the  
8                     Commission. Any findings, conclusions, or recomme-  
9                     ndations made by a subcommittee or working group shall be  
10                    considered by the full Commission, which shall be respon-  
11                    sible for determining any final findings, conclusions, and  
12                    recommendations. Each such subcommittee or working  
13                    group shall operate only for the Congressional Session  
14                    with respect to which such subcommittee or group was es-  
15                    tablished.

16                     (f) ADMINISTRATION AND POWERS OF COMMI-  
17                     SION.—

18                     (1) HEARINGS.—The Commission may, for the  
19                     purpose of carrying out this Act—

20                         (A) hold such hearings, sit and act at such  
21                     times and places, take such testimony, receive  
22                     such evidence, and administer such oaths as the  
23                     Commission considers appropriate; and

24                         (B) subject to paragraph (2), require the  
25                     attendance and testimony of witnesses and the

1 production of books, records, correspondence,  
2 memoranda, papers, and documents.

3 (2) OBTAINING OFFICIAL DATA.—

4 (A) IN GENERAL.—The Commission may  
5 secure directly from any executive department,  
6 bureau, agency, board, commission, office, inde-  
7 pendent establishment, or other instrumentality  
8 of the Federal Government or a State, local,  
9 Tribal, or territorial government any informa-  
10 tion, suggestions, estimates, and statistics to  
11 enable the Commission to carry out this Act.  
12 Each such department, bureau, agency, board,  
13 commission, office, independent establishment,  
14 or instrumentality shall, to the extent author-  
15 ized by law, furnish such information, sugges-  
16 tions, estimates, and statistics directly to the  
17 Commission, upon request of the Chair of the  
18 Commission and the Vice Chair of the Commis-  
19 sion or any member designated by a majority of  
20 the Commission.

21 (B) RECEIPT, HANDLING, STORAGE, AND  
22 DISSEMINATION.—Any information, sugges-  
23 tions, estimates, and statistics submitted under  
24 subparagraph (A) shall only be received, han-  
25 dled, stored, and disseminated by members of

1           the Commission and its staff, consistent with  
2           applicable Federal law.

3           (3) PUBLIC HEARINGS AND MEETINGS.—

4               (A) IN GENERAL.—The Commission shall  
5               hold public hearings and meetings as deter-  
6               mined appropriate by the Commission.

7               (B) PROTECTION OF CERTAIN INFORMA-  
8               TION.—Any public hearings and meetings of the  
9               Commission shall be conducted in a manner  
10          consistent with applicable Federal law regard-  
11          ing the protection of data submitted to the  
12          Commission under paragraph (3).

13           (4) PERSONNEL.—

14               (A) STAFF.—

15                       (i) APPOINTMENT; COMPENSATION;  
16                       TRAVEL EXPENSES.—The Chair of the  
17               Commission, in consultation with Vice  
18               Chair of the Commission, and in accord-  
19               ance with rules agreed upon by the Com-  
20               mission, may appoint and fix the com-  
21               pensation of an executive director and  
22               other additional technical and administra-  
23               tive personnel as may be necessary to en-  
24               able the Commission to carry out its du-  
25               ties, without regard to the provisions of

title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that no rate of pay fixed under this clause may exceed the equivalent of that payable for a position at level V of the Executive Schedule under section 5316 of title 5, United States Code. Travel expenses of the executive director and other additional technical and administrative personnel of the Commission shall be allowed at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, except that foreign travel for official purposes by such director and personnel of the Commission is not authorized.

1           expertise of such technical staff shall aug-  
2           ment the ability of the Commission to have  
3           substantial expertise in all areas so de-  
4           scribed.

5                 (iii) PERSONNEL AS FEDERAL EM-  
6                 PLOYEES.—

7                     (I) IN GENERAL.—The executive  
8                     director and any other personnel of  
9                     the Commission shall be treated as  
10                  employees under section 2105 of title  
11                  5, United States Code, for purposes of  
12                  chapters 63, 81, 83, 84, 85, 87, 89,  
13                  and 90 of such title.

14                     (II) MEMBERS OF COMMISSION.—Subclause (I) shall not be con-  
15                  strued to apply to members of the  
16                  Commission.

18                 (iv) DETAILEES.—Any Federal Gov-  
19                  ernment employee may be detailed to the  
20                  Commission without reimbursement from  
21                  the Commission, and such detailee shall re-  
22                  tain the rights, status, and privileges of his  
23                  or her regular employment without inter-  
24                  ruption.

## 1                             (v) EXPERTS AND CONSULTANTS.—

2                             The Commission may procure temporary  
3                             and intermittent services of experts and  
4                             consultants in accordance with section  
5                             3109 of title 5, United States Code, but at  
6                             a rate not to exceed the daily equivalent of  
7                             the annual rate of basic pay in effect for  
8                             a position at level IV of the Executive  
9                             Schedule under section 5315 of title 5,  
10                             United States Code.

11                             (B) ASSISTANCE FROM FEDERAL AGEN-  
12                             CIES.—

13                             (i) GENERAL SERVICES ADMINISTRA-  
14                             TION.—The Administrator of General  
15                             Services shall provide to the Commission,  
16                             on a reimbursable basis, administrative  
17                             support and other services necessary to  
18                             carry out the duties of the Commission.

19                             (ii) OTHER DEPARTMENTS AND AGEN-  
20                             CIES.—In addition to the assistance de-  
21                             scribed in subparagraph (A), departments  
22                             and agencies of the Federal Government  
23                             may provide to the Commission such serv-  
24                             ices, funds, facilities, and staff as such de-

3 (g) SECURITY CLEARANCES.—

23 (B) assist members and staff of the Com-  
24 mission in obtaining security clearances

25 (h) REPORTS —

1                             (1) REPORTS.—Not later than December 1 of  
2 each year that the Commission remains active and  
3 in operation, the Commission shall submit to the  
4 majority and minority leaders of the House of Rep-  
5 resentatives and Senate a comprehensive report on  
6 the findings, conclusions, and recommendations of  
7 the Commission with respect to such year and in-  
8 cluding an executive summary of the Commission's  
9 purposes and activities and any relevant references  
10 and materials with respect to such year. Notwith-  
11 standing the previous sentence, the Commission  
12 shall not be required to submit a report under this  
13 paragraph with respect to the first year in which  
14 such Commission is active and in operation if the  
15 Commission is so active and in operation for fewer  
16 than six months of such first year.

17                             (2) CLASSIFIED INFORMATION.—In the case  
18 that a report submitted under this subsection in-  
19 cludes classified information, the Commission shall  
20 also submit to the majority and minority leaders of  
21 the House of Representatives and Senate a redacted  
22 version of such report with such classified informa-  
23 tion included as a classified annex to such report.

24                             (3) PUBLIC AVAILABILITY.—Reports submitted  
25 under this subsection, or the redacted versions of

1 such reports (if applicable), shall be made publicly  
2 available on a centralized Federal internet website.

3 (i) APPLICABILITY OF FACA.—Except as provided in  
4 subsection (j), the provisions of the Federal Advisory  
5 Committee Act (5 U.S.C. App.) shall apply to the activi-  
6 ties of the Commission.

7 (j) TERMINATION.—

8 (1) IN GENERAL.—The Commission, and all the  
9 authorities of the Commission under this Act, shall  
10 remain active and in operation until the last day of  
11 the 10-year period beginning on the date of the en-  
12 actment of this Act.

13 (2) ADMINISTRATIVE ACTIVITIES.—The Com-  
14 mission may use the 60-day period following the  
15 date of termination of the Commission for the pur-  
16 pose of concluding its activities, including providing  
17 testimony to Congress concerning its results and dis-  
18 seminating the final report of the Commission.

19 (k) AUTHORIZATION OF APPROPRIATIONS.—For pur-  
20 poses of carrying out this section, there is authorized to  
21 be appropriated to the Commission \$6,000,000 for fiscal  
22 year 2021 and such sums as may be necessary for each  
23 fiscal year thereafter through fiscal year 2031, to be avail-  
24 able until expended.

